

United States Senate Committee on Finance

For Immediate Release
Wednesday, Jan. 23, 2002

Contact: Mike Siegel (Baucus) 202/224-4371
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Baucus, Grassley Seek Disclosure of Enron Tax Records

WASHINGTON – Senate Finance Committee Chairman Max Baucus and Ranking Member Chuck Grassley today asked Enron Corp. to publicly disclose all company tax records, including those related to Enron's affiliated companies or partnerships.

The text of today's letter transmitted to Enron Chief Financial Officer Jeffrey McMahon follows:

January 23, 2002

Mr. Jeffrey McMahon
Chief Financial Officer
Enron Corp.
1400 Smith St.
Houston, Texas 77002

Dear Mr. McMahon:

The Finance Committee is reviewing several aspects of Enron Corp.'s (Enron) tax returns and pension programs (including its employee stock ownership plan (ESOP), 401(k) plans and defined benefit plans).

It is critical that the public and the Congress have a more informed understanding of the activities and transactions related to Enron's tax returns and pension programs. Therefore, we request that you please provide the Finance Committee written authorization to release to the public information contained in Enron's federal consolidated tax returns or any tax information related to Enron's affiliated companies or partnerships that is not included in the consolidated tax returns. This would be for all time periods since the creation of Enron in 1985.

The Finance Committee already has the authority under current law to review Enron's consolidated tax return as well as the return of Enron's affiliated companies or partnerships -- and we expect to exercise that authority. However, there are limitations on the authority of the Finance Committee to release tax information to the public. Thus, this letter is sent as a courtesy to you to allow Enron an opportunity to provide the public a better understanding of the events at Enron.

As the Finance Committee continues its investigation into this matter, we request and

appreciate the full and complete cooperation of Enron in regard to access to all relevant documents and employees. To facilitate this matter, we would suggest that you name a point of contact. If you have any questions, please contact Mr. Pat Heck (202) 224-4515 or Mr. Dean Zerbe (202) 224-5315 of the Finance Committee staff.

Cordially yours,

Max Baucus, Chairman
Charles E. Grassley, Ranking Member